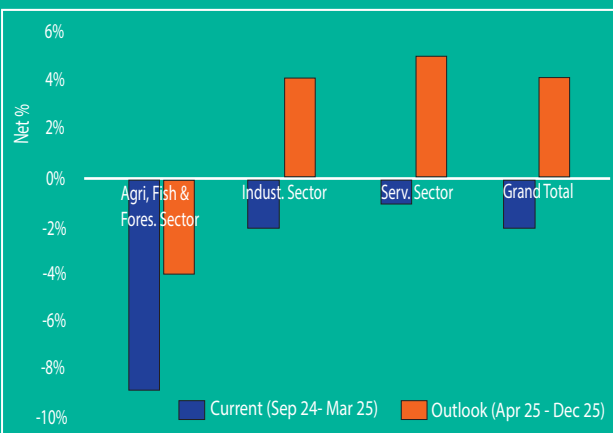


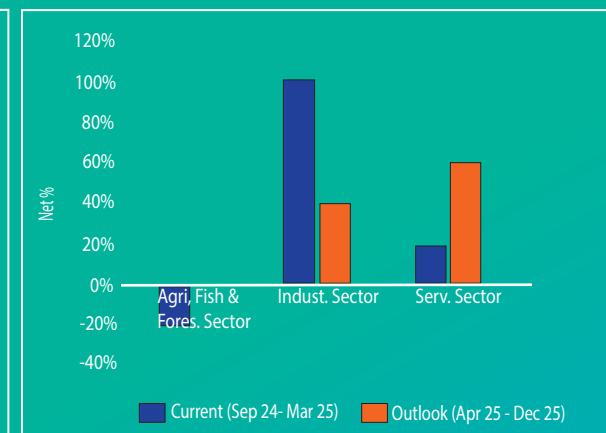
SNAPSHOT Business Expectation Survey (BES), March 2025 Current Development and Outlook



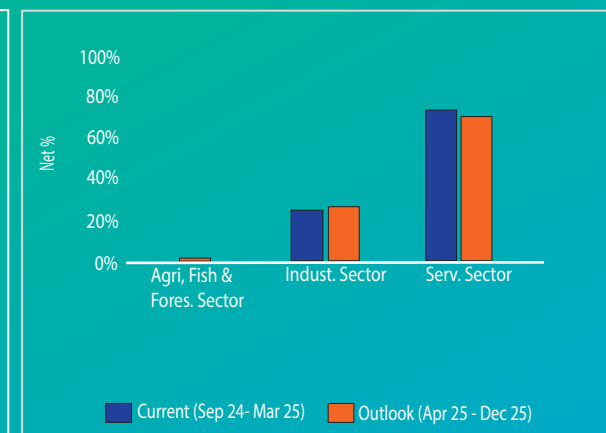
Growth - Business Performance



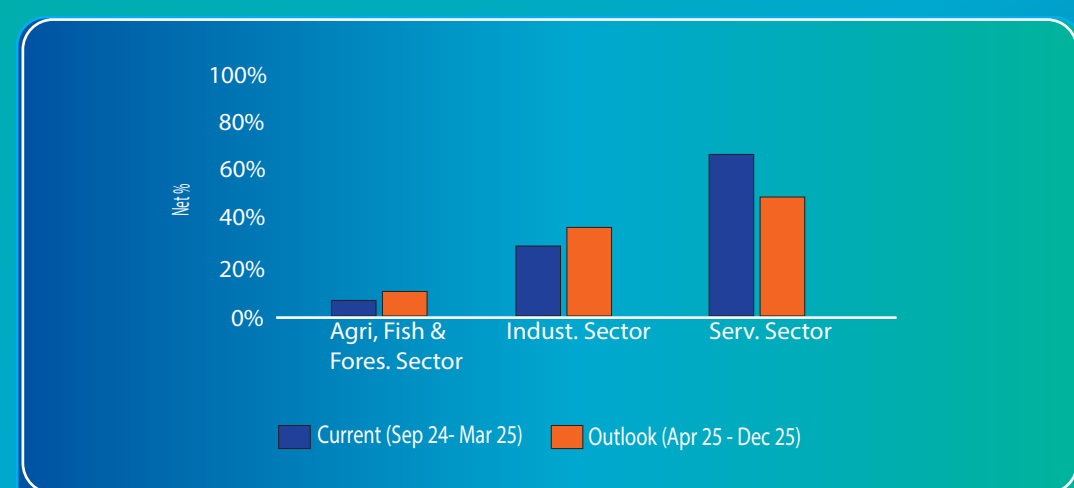
Sales



Investment



Price

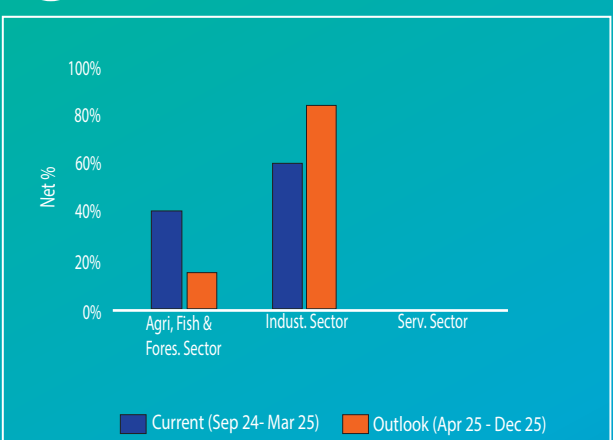


The sentiments indicated that businesses from all sectors have maintained elevated prices in general, in the current and the outlook for the next nine months. However, the services sector in particular, wholesale and retail business anticipated lower/reduce prices increase in the next nine months reflecting the high competitive environment for these businesses.

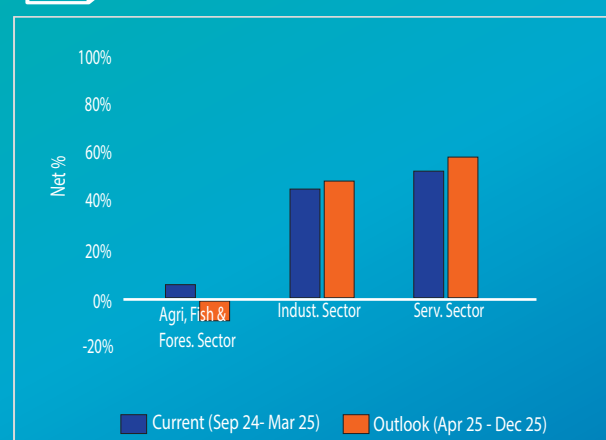
Businesses within the industry and services sector indicated positive sales, while businesses in the agriculture sector reported decrease in sales during the current period. Positive sales reflected robust consumption largely driven by supportive customer base and supportive workforce. Looking ahead the increasing consumption is expected to trigger positive sales in the industry and services sector, while sales relating to agriculture businesses are expected to remain stable.

Businesses within the industry and services sectors indicated positive sentiments for investment in general, in particular increased machineries for the industry sector in the current period, however the agriculture sector maintained investment level in the current period. In the near to medium term, businesses in all sectors anticipated expansion in investment, largely the services sector and moderately in the industry sector.

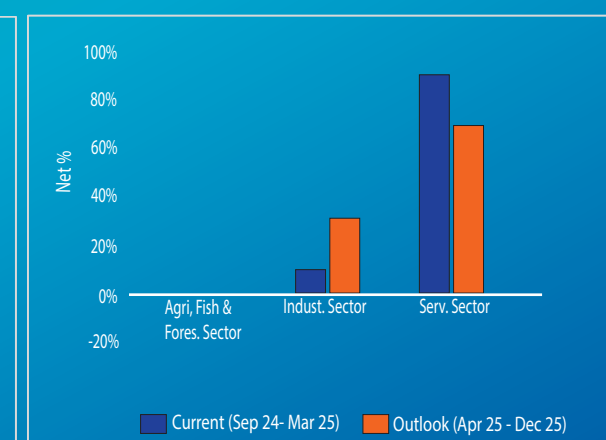
Exports



Imports



Employment Level



Business across all sectors anticipated to increase their imports during the current period, majority of which are from the industry and services sector. Looking ahead, the industry and services sectors are expected to further increase their imports, in line with high demand for domestic consumption and for recovery purposes. The agriculture sector is expected to reduce its imports in the next nine months.

Businesses in the industry and services sectors indicated increase in employment (experienced staff from businesses affected) in the current period except the agriculture sector, which maintained their number of staff in the current period. Looking ahead, both the industry and services sectors are projected to increase or hire additional staff, while businesses in the agriculture sector are expected to maintain the same number of staff.

Sentiments on overall exports level over the current period, were positive for the industry (in particularly Manufacturing companies) and the agriculture sectors, while the service sector has no change in their export level. On the outlook, businesses in the industry sector expected to increase their volume of exports in the nine months ahead while agriculture sector anticipated a lower volume of exports, while the service sector expects a stable export performance. The businesses involving exports of services are predominantly tourist related services.

Key Explanatory Note

- The Net % is explained as:
 - 0 to 50% defines businesses that have a positive performance on growth
 - 0% define businesses that have no change in performance growth
 - 0 to -50% define businesses with a negative growth
- The Constraints and Attributors:
 - The Attributors to growth are selected by taking the Top 6 of reasons that businesses have chosen.
 - The constraints to growth are selected by taking the Top 6 of reasons that businesses have chosen.
- The survey series is bi-annual, that is March and September.

Attributors to Growth

- Robust domestic consumption from supportive customer base and workforce
- Ease of access to business location
- Increasing use of social media platforms to boost sales
- Supportive government policies
- Trading partner economies supplies
- Lower number of competitors

Constraints to Growth

- Rising operating and overhead costs
- Natural disasters / hazards
- Rising transportation cost
- Poor access to infrastructure
- Global/national economic performance
- Overall price pressures

Survey Disclaimer:

The BES Snapshot provides the views of the respondents and does not in any way represent the view of the Reserve Bank of Vanuatu. As such, the RBV cannot be held liable for any actions taken base on the responses provided in this survey snapshot.